

LEGAL DEPARTMENT

BUDGET OVERVIEW

(\$ In Millions)

	2005-2006 Budget	2007-2008 Preliminary Budget	2007-2008 Council Adopted Budget	Difference between Preliminary and Council Adopted Budget	% change
Total Budget	\$1.4	\$1.6	\$1.6	(\$0.0)	-3.0%

Note: May be slightly off due to rounding.

COUNCIL'S FINAL CHANGES

Council reduced the Legal budget by \$47,658 from the Preliminary Budget and gave the Administration discretion to manage the department within the new limit of \$1,598,719. As a result, the Legal department may not have enough money to pay for prosecution, litigation, labor settlements and other legal matters. These costs exceeded the budget by approximately \$500,000 in 2005-06. Following is the change Council made from the Preliminary Budget:

Reduced funding for existing services	(\$47,658)
Total Council Changes	(\$47,658)

COST DRIVERS

Salaries and Benefits

- Market and merit increases of 4.5% in 2007 and 2008. NOTE: Should not be construed as City's negotiating position.
- Medical premium increases of 13% per year.
- PERS rate increases of 132% between 2006 and 2008, as approved by the State Legislature.

Services

- Inflationary increases of 2.6% and 2.5% for 2007 and 2008; this is the first time in seven years departments have received a small adjustment for inflation.
- Legal costs have increased significantly due to more personnel matters requiring the attorney's advice and time-consuming labor negotiations.

SYNOPSIS OF PROPOSED PROGRAMS INCLUDED IN THE PRELIMINARY BUDGET

N/A

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WHAT DO WE DO?		WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
			2005-2006	2007-2008	
PROSECUTORS OFFICE			\$755,512	\$843,836	
Prosecute gross misdemeanor, misdemeanor, and traffic infraction cases.	Ensure a safer community through the timely prosecution of misdemeanor offenses. Provide training and legal updates to City police officers.				Legally mandated under state law.
CIVIL LEGAL SERVICES			\$656,847	\$802,541	
Provide legal counsel to the Mayor, City Council, Boards and Commissions, and department staff, represent the City in civil and criminal proceedings, and negotiate labor contracts.	Ensure city business is conducted legally and that litigation risks are minimized.				Legally mandated under state law.
TOTAL LEGAL - PRELIMINARY BUDGET			\$1,412,359	\$1,646,377	
COUNCIL’S FUNDING REDUCTIONS				(\$47,658)	
TOTAL LEGAL – COUNCIL ADOPTED BUDGET			\$1,412,359	\$1,598,719	

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EXPENDITURE SUMMARY BY OBJECT

LEGAL	2005-2006 Budget	2007-2008 Budget	Budget to Budget Difference	2-year % change	1-year % change
Salaries					
Salaries and Wages	\$629,487	\$664,859	\$35,372	5.6%	2.8%
Salaries Total	\$629,487	\$664,859	\$35,372	5.6%	2.8%
Benefits					
MEBT	\$46,706	\$48,464	\$1,758	3.8%	1.9%
PERS	\$14,832	\$44,278	\$29,446	198.5%	99.3%
Benefits - Medical Premiums	\$71,973	\$94,523	\$22,550	31.3%	15.7%
Benefits - Worker's Compensation	\$3,211	\$3,418	\$207	6.4%	3.2%
Other Benefits	\$1,380	\$1,380	\$0	0.0%	0.0%
Benefits Total	\$138,102	\$192,063	\$53,961	39.1%	19.5%
Supplies					
Small Tools/Equip/Hardw/Softw	\$2,000	\$2,078	\$78	3.9%	2.0%
Office and Other Supplies	\$14,234	\$2,078	(\$12,156)	-85.4%	-42.7%
Supplies Total	\$16,234	\$4,156	(\$12,078)	-74.4%	-37.2%
Professional Services					
Professional Services	\$2,000	\$14,787	\$12,787	639.4%	319.7%
Legal Services	\$598,696	\$741,415	\$142,719	23.8%	11.9%
Communications	\$5,200	\$5,402	\$202	3.9%	1.9%
Travel	\$3,000	\$3,116	\$116	3.9%	1.9%
Repairs - Outside	\$2,000	\$2,078	\$78	3.9%	2.0%
Other Services and Charges	\$16,000	\$16,621	\$621	3.9%	1.9%
Professional Services Total	\$626,896	\$783,419	\$156,523	25.0%	12.5%
Interfund Transfers					
Interfund - Fleet	\$1,640	\$1,880	\$240	14.6%	7.3%
Interfund Transfers Total	\$1,640	\$1,880	\$240	14.6%	7.3%
Council's Funding Reductions Total	\$0	(\$47,658)	(\$47,658)	n/a	n/a
Grand Total	\$1,412,359	\$1,598,719	\$186,360	13.2%	6.6%